

Hart, Harnell N.

The New Social Order
in America...

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The New Social Order in America

A STUDY SYLLABUS

IN THE PRESENT SOCIAL CRISIS

- When old social and economic institutions are being abandoned;
- When government control of industry has been carried to an unprecedented degree;
- When legal regulation of wages and prices is being swiftly extended;
- When millions of men are being summoned to service by the government;
- When taxation of incomes, profits, inheritances, and luxuries is being immensely increased by war necessity;
- When equal suffrage seems imminent;
- When prohibition of the liquor traffic is impending;
- When organized labor has acquired unprecedented influence;
- When extreme radicals are the controlling native force in Russia;
- When the British Labor Party is uniting hand and brain workers on a program of fundamental economic reconstruction;
- When capitalists of the Charles H. Schwab type predict the approaching domination of America by the manual workers;

In such a crisis, every thinking person wants to know the rudiments of the great issues up for decision, to think these issues through for himself, and to encourage others to face the social reconstruction with equal frankness. As an aid to these ends, this study syllabus has been prepared as the co-operative product of a number of liberal thinkers.

Copies may be secured at 15 cents each, eight for one dollar, of \$12 per hundred, from
Hornell Hart, 807 Neave Bldg., Cincinnati.

September, 1918

HOW TO USE THIS SYLLABUS.

Groups of eight to twelve people, meeting weekly, will get the most out of this syllabus.

Types of groups which might well make use of the outline are discussion clubs, college and high-school classes in social problems, adult Sunday-school classes, and groups of soldiers and sailors in service. You can help to promote thinking along these lines by putting such groups into touch with this movement.

Make it a discussion course, not a lecture course. One stimulating leader may be selected for the whole course, or members may be responsible in rotation for the meetings, but in either case the chief feature for each meeting should be the interchange of viewpoints by all the members of the group. If thought-provoking lecturers can be secured, a possible arrangement is to devote half or three-quarters of an hour to the lecture before a large audience, and divide up into small groups for an hour of intimate discussion. Debate on questions suggested for original thought should be emphasized.

References printed in bold-face should be read, if possible, by every member of the group. Other references may be divided up among the members, each reporting briefly the essence of his reading. If members can devote no time to outside reading, a mere reading of the syllabus and the discussion growing out of it will be decidedly worth while.

Ask the librarian at your public library to reserve on a special shelf the books and periodicals referred to in the syllabus so that members of your group can locate them easily.

If the course is too long for your group, take up the first two and the last two sections, with such of the intervening sections as seem to your group most important.

When you have finished the course as a member, become an officer in the army of thought by starting a new group. You will get more out of it the second time, as leader, than you did the first as pupil.

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I. BASIC PRINCIPLES OF SOCIAL JUSTICE.

After the war, out of the broken traditions, precedents and institutions of the past, and out of the emergency machinery which the war has created in government and industry, a new social order must be built. What sort of an order this should be, is the question which this syllabus proposes to study.

A. As a possible area of agreement which our study may accept as a basis for the new order, certain principles evolved by leaders in social, religious and labor organization work are presented herewith for discussion:

1. Every child should, without his own gainful labor, be assured adequate nourishment, wholesome housing, sufficient clothing, skilled medical care, normal family life, and such education and recreation as shall develop his maximum capacity for joyous living, and his greatest serviceability to society.
2. Adequate incomes should be assured for families up to a reasonable limit of size, by one of two methods: a. Every able-bodied and able-minded father of a family should be guaranteed the opportunity to earn an income sufficient to assure such a standard of living to his children, and to their mother, or, b. Some form of maternity benefit should be provided for the support of mothers and children.
3. The opportunity to earn at least enough to maintain physical and moral health should be assured to all able-bodied and able-minded workers.
4. For workers mentally incompetent to earn a decent living, and for women mentally unfit for motherhood, cheerful institutional or supervisory care should be provided, with provision against reproduction of those whose defects are hereditary.
5. Catastrophies, such as sickness, injury, invalidity, old age, death, and unemployment, should be prevented or postponed by all the resources of medical and social science, and when they do occur, the resulting economic loss should be borne, not by the worker and his dependents, but by the community, under provisions calculated to encourage prevention of such catastrophies, and to maintain the self-respect of the victims.

6. The conditions of employment should be so adjusted as first to secure the health and maximum welfare of the workers, and second to attain the largest product consistent with that welfare.

7. The control of industry should be democratized.

B. The following quotations indicate the widespread acceptance of these axioms:

1. The War Labor Conference Board (including five of the largest employers in the nation, five officers of labor unions with over 1,000,000 members, Frank P. Walsh, and Wm. H. Taft) states among its principles for the arbitration of labor disputes:

The right of all workers to organize in trade unions and to bargain collectively through chosen representatives is recognized and affirmed. The right of all workers, including common laborers, to a living wage is hereby declared. In fixing wages, minimum rates of pay shall be established which will insure the subsistence of the worker and his family in health and reasonable comfort.

These principles were officially endorsed by President Wilson on April 8, 1918.

2. A. Ogden Armour testified in the recent stockyards wage hearing: Q. "You want your laborers to have enough to live properly, Mr. Armour?" A. "Naturally." Q. "And you are willing for the arbitrator to fix wages which will make decent living possible?" A. "Of course."

3. Mr. A. Parker Nevin, general counsel of the National Association of Manufacturers, is quoted as saying: "We want wage determinations based on a scientific and human groundwork, not on caprice or brutality."

4. Among the essentials of a brief war-time program advocated by the Federal Childrens' Bureau are the following:

Public health nurses and suitable medical attention; care of babies by their own mothers under decent home conditions; adequate living incomes; family allowances for soldiers' families; mothers' pensions for civilians; enforcement of child labor laws and full schooling; recreation for children and youth, abundant, decent, protected from any form of exploitation.

5. Rev. John A. Ryan, of the Catholic University of Washington, in his "A Living Wage" says: "The right to a family living wage belongs to every adult male laborer." (p. 120.)

6. The Federal Council of the Churches of Christ in America, including the bulk of all the protestant churches in the United States, is committed to a platform which includes the following:

The fullest possible development of every child; the right of all men to the opportunity for self-maintenance; suitable provision for the old age of the workers, and for those incapacitated by injury; conservation of health; protection of the workers from dangerous machinery, occupational diseases and mortality; reduction of hours of labor to the lowest practicable point; the right of employers and employes alike to organize; a living wage as the minimum in every industry, and for the highest wage that each industry can afford.

7. The program proposed for the British Labor Party, on Labor and the New Social Order, includes this statement: "The first principle of the Labor Party * * * is the securing to every member of the community, in good times and bad alike (and not only to the strong and fortunate), of all the requisites of healthy life and worthy citizenship."

8. The executive council of the American Federation of Labor holds that

Every worker has a right to a just portion of the wealth which he helps to create, a full right to earn out of his toil an opportunity for his children equal to that of any citizen, a full right that every just safeguard shall be afforded him for his physical safety, for his health and comfort while at work. Every worker has the right to compensation for physical injury or disease occasioned in the course of production * * * (and) the additional right to opportunity for rehabilitation.

C. Opposition to social insurance (A, 5) has been voiced by employers' and trade union organizations; opposition to prevention of the propagation of the unfit has been expressed by some Catholics; and item A, 1, is opposed by employers of child labor. General opposition to all the planks may be expected from persons of individualistic philosophy.

D. For original thought and discussion:

1. How would you modify the principles set forth under I, A, in order to make them represent truly your own conception of the minimum requirements of social justice?

2. How many of the I, A, principles are necessarily involved in the War Labor Conference Board's principles?

3. Compare the standards established by the government in the care of the United States soldiers and their families, with the ideals set forth in this section.

E. Suggested readings. (Read especially the **bold-face** references. Dip into the others, or ask each member of the group to read and report on one.)

Labor and the New Social Order: New Republic, Feb. 16, 1918, Pt. II, or Monthly Review, U. S. Bur. Labr. Stat., Apr., 1918, pp. 63ff.

Social Standards of the Lovejoy Committee of the National Conference of Charities, Proceedings 1912 (Cleveland), pp. 388-395.

The Church and Social Service in the U. S. H. F. Ward. 1914. Pp. 148-184. (Fleming H. Revell, 50 cents.)

II. HOW FAR DOES AMERICA FALL SHORT OF SOCIAL JUSTICE?

The principles set forth in Section I, so widely accepted by church and state, and in part by labor and capital, cannot be realized by a return, after the war, to the social status quo ante.

A. The following facts indicate the extent of our failure to maintain in the United States the principles of social justice outlined in I, A:

1. A large proportion of the children in the United States do not receive the living outlined on page 3:

a. "There are in the city of New York at the present time (December, 1917) 216,000 children who are seriously under-nourished, and another 611,000 who are only in passable condition, or who may be recorded as 'borderline cases.'" From the report of an official survey made by the Department of Health of New York City, in which 171,000 public school children were examined. The seriously undernourished were 21 per cent of all the children examined.

b. A study by the City Club of Milwaukee found that 40 per cent of the children under working age in that city come from families with incomes too small to provide a wholesome living.

c. As to education, Ayers shows (Laggards in Our Schools, p. 65) that only half of the children in our city schools reach the eighth grade, and only one-tenth reach

the last year of high school. Many of the brightest and most of the dull children leave school at 14 to 16 years of age to go to work.

d. Chapin found that in New York City, in 1907, among families with incomes of \$800 to \$900, 22 per cent were undernourished, 32 per cent underclothed, and 53 per cent overcrowded. In lower income groups conditions were radically worse. Yet food prices have increased since 1907 so that today \$1,500 would be required to purchase the food which \$850 would secure when Chapin made his study.

2. Between 25 and 50 per cent of the married men in the United States earn too little to provide for their families:

a. The United States Immigration Commission reported that, among wage-earners' families, 43 per cent of those with native-born heads, and 66 per cent of those with foreign-born heads, had incomes of less than \$750 in 1908, including contributions made by wives, children and boarders.

b. The Federal Children's Bureau found (1914-1916) in its survey of Baltimore, Waterbury, Akron, and Manchester, that 39 per cent of the fathers of babies born in these cities earned less than \$650 in the year following the baby's birth.

c. In the states of Massachusetts, Ohio, and California, official reports show that 55 per cent of the male wage-earners 18 years of age and over earned, **when steadily employed** in manufacturing, less than \$15 weekly, or less than \$780 yearly in 1915. Wages in other industries in Ohio (and undoubtedly elsewhere) average practically the same as in manufacturing.

d. Father Ryan says: "The universal application of the Living Wage principle * * * would mean an increase in various degrees in the remuneration of more than 60 per cent of the male adults employed in urban occupations. (Op. cit., p. 328.)

e. Recent wage and cost of living inquiries are practically unanimous that, during the world war, the cost of living has increased faster than wages.

3. A large proportion of women workers earn less than enough to maintain health and decency. In Ohio, in 1915,

more than half of the factory and sales women 18 years old and over earned less than \$8 a week. Of stenographers and clerks, one-third earned less than \$9 a week. The minimum cost of living for women, as determined by wage boards in other states before the war, was from \$8 to \$10.

4. The percentage of feeble-mindedness in the population depends upon how one defines feeble-mindedness. One per cent is an approximation.

5. The terrific casualties of industrial life run vastly beyond the unavoidable minimum. Hundreds of millions of dollars in wages lost through sickness, 100,000 young mothers widowed each year, and from one to six and a half workers unemployed at a given time, are among the preventable catastrophies of industrial life in the United States.

6. Fire hazards, dust, wetness, industrial poisons, excessive hours, and destructive strain are still prevalent in American industry, though such conditions are steadily being eliminated.

B. On the other hand, it should be noted that real wages and sanitary standards are decidedly higher in the United States than in Europe under pre-war conditions, and immensely higher than in Asia.

C. For original thought and discussion:

1. Define the minimum justifiable standard of living in terms of real income—what kind of a house, what kind of food, what kind of clothing, what degree of medical care, what kind and amount of education and recreation, should be insisted on as a minimum? Should a minimum day's work be defined and insisted on as a corollary?

2. Collect and turn in references to facts bearing on the extent to which social justice is realized in America, compared with the ideals outlined on page 3, and compared also with pre-war conditions in Europe and Asia.

3. In a democratic system of education, what factors should determine how great the opportunity of a pupil shall be? Is our educational system democratic?

4. What are the functions of charity in the elimination of social injustice?

D. Suggested readings:

Conditions of Labor in American Industries. Lauck and Sydenstricker 1917. Pp. 29, 43, 61, 116, 141, 195, 217-219, 357-383. (Funk & Wagnalls, \$1.75.)

Fluctuations of Unemployment in Cities of the U. S. Hornell Hart, 1915. Pp. 48-57. (Trounstone Foundation, Cincinnati, 25 cents.)

The Bitter Cry of the Children. John Spargo, 1906. (Macmillan, \$1.50.)

People of the Abyss. Jack London, 1903. (Macmillan, \$1.50.)

How the Other Half Lives. Jacob A. Riis, 1899. (Scribner's, \$1.50.)

Poverty. Robert Hunter, 1904. (Macmillan, \$1.50.)

The Jungle. Upton Sinclair, 1906. (Doubleday, Page, \$1.50.)

III. CONSERVATIVE REMEDIES FOR MISERY: ECONOMY AND EFFICIENCY.

Certain groups believe that the world's greatest need after the war, as before it, will be to produce the largest possible amount of wealth, and to waste the smallest possible amount.

A. Wastefulness, extravagance, and intemperance of the poor, seem to many chief causes of poverty and social maladjustment. Thrift and temperance are therefore urged as remedies.

1. In favor of this point of view, it is urged:

a. That the liquor bill of the United States is nearly two billion dollars a year.

b. That the average American family is said to waste enough to feed a European family.

c. That the poor buy expensive cuts of meat and other food luxuries, spend excessively for amusements, and

use their money extravagantly in prosperous times with no thought for the future.

d. That use of alcohol greatly reduces the efficiency of workers.

2. Further study of this problem brings out these additional facts:

a. A government survey in Washington, D. C., in 1916, concluded that, under scientifically ideal conditions, the least expenditure for food on which an adult male can be maintained in normal health and efficiency was 31 cents per day. In actual practice it was found, however, that the lowest expenditure at which any of 31 families intensively studied attained anything like a balanced and adequate ration, was 40 cents per man per day. Yet, out of 2,000 representative families studied, 37 per cent spent less than 31 cents for food per day per equivalent of an adult male, while two-thirds spent less than 40 cents per day. Not waste, but inadequate income was the dominant factor. (Mo. Rev. U. S. Bur. Labr. Stat. V. 836-8, 1080-1.)

b. Two separate studies of expenditures for liquor, one by the U. S. Bureau of Labor Statistics, and the other by the New York City Health Department, both showed that liquor expenditures average very much less in families with small incomes than in families better able to spare the money. Exceptions, of course, occur.

c. Every study of family budgets finds that in families with small incomes the great bulk of the money goes for food, rent and clothing, while very little is spent for recreation, health, or other dispensable items. As incomes increase beyond the poverty line, the relative importance of non-essentials in the average budget increases rapidly. Extravagance and luxury, according to the most reliable statistics, are in general characteristic of the well-to-do, not of the poor, though here again exceptions occur.

B. Malthus, his followers, and recent advocates of family limitation, urge self-restraint or contraception as remedies for poverty.

1. In favor of this position they assert:

- a. That India and China are proofs of the extreme poverty which results from over-population.
- b. That the largest families tend to suffer most from poverty. In Milwaukee it was found that the average size of families with inadequate incomes was 5.2 persons, while for other families the average was only 4.4.
- c. That children of large families tend to suffer in health and vitality.

2. In opposition to family limitation it is urged:

- a. That contraception is contrary to natural law.
- b. That family limitation encourages abortion.
- c. That the educated and intelligent practice it, while the ignorant do not, thus diminishing the good stock, and multiplying the inferior.

C. More effective utilization of natural resources is urged:

- a. The Department of Agriculture estimates that 70 per cent of the arable land (including grazing land) is not under cultivation.
- b. Waterways, it is asserted, have fallen into disuse because of discriminatory rates devised by the railroads to discourage river traffic.
- c. Water powers and other natural resources are not adequately conserved and developed.

D. Conservation of human resources is urged, on the grounds that:

- a. Every worker or potential worker who dies or is incapacitated before the end of his productive life, represents a loss of labor power equal to what he would have produced above the cost of his maintenance.
- b. Unemployment and sickness cause the loss, on the average, of ten per cent of our labor power.

E. Scientific management of our industries is urged.

1. Its advocates point out:

- a. That industrial processes are operated at only a fraction of their possible efficiency, because of lack of scien-

tific analysis and planning of work, lack of enthusiasm on the part of the workers, and deliberate limitation of output by workers; that it would be to the mutual advantage of employer and employe to work together intelligently to eliminate inefficiency, and that wages adequate to abolish poverty would result.

b. That competitive advertising and marketing, duplicating and paralleling of railroads, telephones, retail stores, retail deliveries, etc., are wasteful, and that the getting of food from producer to consumer is needlessly expensive.

2. Scientific management as an adequate remedy under private management, is opposed on various grounds:

a. That the slacking of workers is due to past experience of the cutting of piece-rates by employers as soon as processes had been speeded up, and that the same exploitation will occur in new forms under scientific management.

b. That scientific management tends to require excessive speed in work.

c. That it tends to break down labor organization, and thus leave the workers unprotected.

F. Abolition of war is a most urgent requirement if national incomes are to be adequate to abolish misery. If militarism prevails, the cost of standing armies and navies, and the expense and destruction of recurring wars, will absorb a large share of the surplus above bare necessities.

G. General criticisms: Although it is agreed by all that great wastes and huge inefficiencies exist, and should be remedied, many social thinkers contend that economy and efficiency are not primary but secondary. They urge:

1. That unemployment, wasteful advertising and marketing, disuse of rivers and canals, speculative holding of idle land, destruction of crops to increase prices, slacking by workers, and other forms of inefficiency, are due fundamentally to an individualistic competitive system of industry, organized for private profit rather than for the general welfare.

2. That as long as industry is autocratically owned and managed, with the owners allowing labor as small a share of the product as possible, labor will refuse to co-operate enthusiastically in promoting efficiency.

3. That war, the greatest waste of all, is due to the selfish economic competition of individualistic nations.

4. That the present income of the United States, if it were justly distributed, is large enough, under conditions of permanent peace, to make decent living possible for all:

a. The total income of the United States is now, according to the Bankers Trust Company of New York City, 50 billion dollars, or \$2,200 per family per year.

b. In 1910, when the total national income was 30.5 billions, the income paid to property holders in ground rent and interest amounted to 7.8 billions, or about \$400 for each family in the United States. The total savings of the country were two billions, or only \$100 per family. (W. I. King, *Wealth and Income of the People of the U. S.*, pp. 132 and 158.)

c. The amount of money which the incomes of poor families in the United States were short of the amounts needed to make normal living possible, was roughly about 1.5 billions a year in 1910, or about one-fourth of the property income minus savings. In other words, the poverty deficit could be met without touching existing wages or salaries, without diminishing savings, and with the bulk of existing ground rent and interest still intact.

5. That, although our national income is large enough, even now, practically to abolish poverty, a vastly disproportionate share of it goes to a favored minority of the people:

a. The Bankers Trust Company of New York City estimates that ten million poor families and individuals have average incomes of \$700 a year, while ten thousand rich families and individuals have average yearly incomes of \$275,000.

b. Wilford I. King estimates that in 1910, the richest 2 per cent of the families and individuals in the United States received as much income as the poorest 40 per cent.

H. For original thought and discussion:

1. What effects upon efficiency in production has the method of determining the worker's share of the product?
2. As means toward the abolition of poverty, which is most important: increasing the total product of industry, or arriving at a juster distribution of the product already being produced?
3. Compare the advantages of competition in stimulating effort and initiative, with its wastes and inefficiencies.
4. How can the wastes of the rich be eliminated?
5. Discuss the relative importance of prevention of future wars as compared with other items in a program of efficiency and economy.

I. Suggested readings:

Scientific Management and Labor. Robert F. Hoxie, 1915. Pp. 7-19 and 123-136 (D. Appleton, \$1.50), or the *Survey*, 35:673-680.

Wealth and Income of the People of the U. S. W. I. King, 1915. Pp. 79, 158, 224-229, and 238-255. (Macmillan, \$1.50.)

Scientific Management and the Railroads. Louis D. Brandeis, 1911. (The Engineers' Magazine Co., N. Y. C., \$1.50.)

Labor's Share of the Social Product. Basil M. Manley. *Annals of the American Academy*, 69:128-132.

Has Scientific Management Made Good? *Literary Digest*, 51:1345-7.

Lower Living Costs in Cities. Clyde L. King, 1915. Pp. 7-11, 173-181, etc. (Appleton, \$1.50.)

The High Cost of Living. Frederic C. Howe, 1917. (Scribner's, \$1.50.)

Birth Control. S. A. Kopf. *Survey*, 37:161-165.

Other People's Money. Louis D. Brandeis, 1913. Pp. 162-207. (Fredr. A. Stokes, \$1.00.)

Social Control of the Acquisition of Wealth. Edw. C. Hayes. *Am. Econ. Rev.*, 8:Sup. 194-211 (March, 1918).

IV. CONSERVATIVE REMEDIES FOR MISERY: SOCIAL INSURANCE.

A. Workmen's Compensation for industrial accidents has become an accomplished fact in 37 states. Payments in one year to injured workmen and their families have been, in Ohio, \$2,000,000; in Minnesota, \$400,000; in Massachusetts, \$1,200,000; in New York State, \$2,500,000; with proportionately large amounts in other states. The Safety First movement, stimulated largely by workmen's compensation laws, is saving approximately 4,000 lives annually. Yet industrial accidents still kill 25,000 men a year, and permanently injure 125,000. Non-industrial accidents, which are not covered by workmen's compensation, cause three times as many deaths.

B. Health Insurance.

1. In favor of Health Insurance it is urged:

- a. That the tremendous wage loss caused by sickness should be borne by industry as a whole, not by the individual victims. The wage loss from sickness in this country is estimated by the National Industrial Conference Board at between half and three-quarters of a billion dollars a year, though that board opposes health insurance.
- b. That sickness is responsible for a large proportion of the applications for charity.
- c. That the medical service included in health insurance will greatly reduce the extent and duration of sickness, and that the desire to secure lower rates will stimulate preventive measures by both employers and employees.

2. In opposition it is urged:

- a. That the self-reliance and thrift of workers would be discouraged.
- b. That the cost of the plan is too great for practicability.
- c. That a campaign of prevention should be substituted.
- d. That the interests of doctors, unions, lodges, and private insurance companies might suffer.
- e. That the compulsory feature is contrary to American ideals.

C. Widowhood is our most serious catastrophe. Nearly 100,000 married men under 45 years of age die each year in the United States. The majority of these leave their wives with children too young to work. Of the married men who die, one-third are victims of tuberculosis. Accidents, heart trouble, and pneumonia are other leading causes. A large fraction of the deaths from such causes are preventable.

1. Mothers' pensions are urged as a means of supporting the widows and children.

- a. In favor of this policy it is urged that the children are innocent victims of misfortune, to whom the state owes protection; that it is cheaper, and better for the family, to support these children at home rather than in institutions, and that the mothers are rendering a service to the state, for which they are entitled to compensation.

2. Maternity grants to all mothers are advocated by some.

- a. They urge that women should not be economically dependent upon men, that a man's wages do not expand with the expansion of his family, that poverty in families with small children is the leading cause of infant mortality, bad housing, delinquency, employment of mothers and other evils, and that families under this plan would be safe from all types of economic catastrophe.

- b. In opposition it is urged that such grants would encourage the thriftless to have large families, and would thus soon reduce all to poverty through over-population, that it would take from fathers the stimulus to steady and energetic work, and would encourage desertion and illegitimacy.

3. Socialization of life insurance, so as to cover all fathers of young children adequately, has been suggested.

D. Old-age pensions are advocated by many, and are in operation in England and other countries.

1. In favor it is urged that men and women who have labored faithfully should not be left in want or dependent on charity in old age.

2. Opponents urge that such a system would be costly and would discourage thrift.

E. Unemployment insurance is advocated by many.

1. In favor it is stated that inability to find work is not the fault of worker, that prolonged want due to unemployment frequently demoralizes the worker and his family, and that such insurance might be used as a leverage to promote regularization of employment.

2. In opposition it is urged that prevention of unemployment is vastly more important, that such insurance would stimulate idleness, that workers should themselves save in advance for such emergencies.

F. For original thought and discussion:

1. What arguments, for and against, are equally applicable to all types of social insurance?

2. How much of the cost of social insurance is a new expenditure, and how much a transfer of existing expenditures?

3. What arguments for and against social insurance are equally applicable to fire insurance?

4. To what extent are the principles and machinery of the war risks insurance act, including the provision for allotments, separation allowances, compensation for crippled soldiers, and death benefits, appropriate for, and capable of extension into a general system of social insurance for civilians?

5. To what extent can social insurance take the place of charity?

G. Suggested readings:

Principles of Labor Legislation. John R. Commons and J. B. Andrews, 1916. Pp. 354-414. (Harper, \$2.00.)

Some Fallacies of Compulsory Health Insurance. Hoffman. Scientific Monthly, 4:306-316 (April, 1917). Reprints of this can probably be secured from the Prudential Life Insurance Company.

Compulsory Health Insurance. Thomas H. Simpson. Review of Reviews, 55:414-416.

Capital and Labor (objections). Survey, 37:495-496 (1917).

Mothers on the Payroll. Sherman M. Craiger. Review of Reviews, 52:81-84.

Soldiers' Insurance. Wm. G. McAdoo. Outlook, 117:119, 121-122.

Soldiers' Insurance. Survey, 38:435-437, 504-505, 541-544.

Samuel Gompers Against; Bul. No. 212 of the U. S. Bur. Lab. Stat., pp. 845-849.

For more extended reading, see Social Insurance, by Henry R. Seager, by Robert M. Woodbury, or by I. M. Rubinow, or Unemployment Insurance, by I. G. Gibbon.

V. CONSERVATIVE REMEDIES: WAGE AND PRICE BARGAINING.

A. Trade unions and some industrial unions are the organized attempt of the workers to better their own bargaining power.

1. In favor of unionism it is urged:

a. That the individual worker is at a hopeless disadvantage when he drives a bargain with a great corporation, and hence that collective bargaining is essential.

b. That real betterment of wages and working conditions can come only through collective economic action of the workers themselves.

c. That the defects of unionism, such as violence, restriction of output and the like, are forced on the workers by the tactics of the employer.

d. That the membership, and hence the possible effectiveness of trade unions is swiftly growing, and that the A. F. of L. has announced its intention of making increased efforts to organize the unskilled.

2. In opposition, conservatives urge:

a. That unions are selfish and despotic in their use of power against the employer, the public, and other workers.

b. That they deliberately limit the amount of work done.

c. That their regulations hinder the introduction of labor-saving machinery and methods, and are vexatious and irritating.

d. That strikes are accompanied by violence and destruction of property.

3. By radicals, unionism is criticized on the grounds:

a. That the great majority of the poorly paid workers are not helped by the unions. In 1900 only 4 per cent of the wage-earners in the United States were union members. In 1910 it had increased to 7 per cent, but even allowing for a doubling of membership in the past eight years, 85 per cent of the wage-earners are still not unionized.

b. While prices of food increased 39 per cent from 1907 to 1916, weekly wages of union men increased only 19 per cent, so that a week's union wage would buy 20 per cent less food in 1916 than in 1907. (Bul. U. S. Labr. Stat. No. 214, p. 24.)

B. Government regulation of wages and prices is a means of adjusting the distribution of income.

1. As instances may be quoted the following:

a. The Food Administration has unquestionably prevented a high speculative rise in some prices.

b. Government rulings have brought wage increases in the stockyards, on the railroads, and elsewhere.

c. Minimum wage boards have decidedly increased wages for women in some states.

2. However:

a. The recent railroad wage increase aimed simply to cover the increase in cost of living since 1915, without attempting to remedy the huge inadequacy of wages which existed at old price levels.

b. Higher wages on railroads and at the stock yards mean higher freight rates and meat prices, while regulated street car fares are said to be the reason for failure to increase wages of street railway employees.

C. Shutting off immigration reduces, for the United States, the supply of labor, increases average productivity per worker, and betters the bargaining power of the workers. Its effects on the world at large are more obscure.

D. Profit sharing, and benefit schemes for employes may give the workers a larger share of the output.

1. In their favor it is urged that they stimulate employes to take a personal interest in the success of the business, diminish the turnover of labor, eliminate strikes, and increase earnings.

2. In opposition it is urged that such plans are drawn up in such a way as to prevent employes from joining a union, from striking, or even from quitting, that they are paternalistic and undemocratic, and that they produce a larger product for the employer rather than increase the worker's share in the product.

E. Monopoly prices, stock juggling, financial wrecking of railroads, stock watering, and kindred financial crimes take huge amounts from the people each year in excessive prices or in money lost in investments. Conservative remedies offered for this condition are regulation by commissions, dissolution of trusts, publicity, and so on.

F. General objections to increased bargaining power as a remedy:

1. In actual practice, labor unions, government wage and price fixing, and regulation of large financial powers have merely helped to prevent a possible aggravation of existing economic injustices rather than achieved fundamental improvements.

2. Unless wages and prices are regulated with reference to each other, increases in wages cause increased prices, while lowered prices cause reduced wages.

3. All government rate and wage determinations, and, indeed, all wage bargaining under existing economic systems, must take into account the necessity for maintaining a supply of capital for the industry, and therefore must maintain intact the property income—dividends and interest. Thus, under private ownership of the railroads, the government guarantees the earnings of the roads in order to maintain dividends and attracts the capital necessary to extend and improve them. Since this is necessary under private ownership, the proportionate share of the product given to labor cannot, under private ownership, be much increased.

G. We are led thus to consider whether the present system of paying land-rent and interest to the owners of land and capital shall continue. Theoretically, these payments are made in order to stimulate saving, and to prevent the consumption of capital already saved. W. I. King shows, however, that in 1910, 7.8 billions were paid in ground rent and interest, and only 2 billions were saved, in the United States. The reward for saving was thus four times the amount of new savings. Various proposals for turning all of this property income over to the hand and brain workers will be discussed in succeeding sections.

H. For original thought and discussion:

1. Discuss the justice of the following ideal of distribution:
"The product of industry should be divided with a view solely to promoting the maximum production, to protecting all workers, children, old people and unfortunates from poverty, and to attaining for the whole community the greatest possible psychic income."
2. Should government control of wages and prices be extended or diminished after the war?
3. If the government were to fix, for all industries, minimum wages at a living level, and provide that these wage rates should change automatically with changes in the cost of living, what would be the effect upon the distribution of income, and on the present economic system?
4. Discuss the merits of co-operative buying.
5. If its best possibilities were realized, how far could labor unionism of the American Federation of Labor type go toward the establishment of social justice?
6. What would be the logical outcome of the present government policy toward labor?
7. What occidental policy toward oriental immigration would be best for the world as a whole?

I. Suggested readings:

Organized Labor in America. Geo. G. Groat, 1918. Pp. 455-489. (Macmillan, \$1.75.)

Principles of Labor Legislation. Commons and Andrews, 1916. Chapter III, Collective Bargaining, pp. 91-124; IV, The Minimum Wage, pp. 167-196. (Harper, \$2.00.)

Trade Unionism in the U. S. Robert F. Hoxie, 1917. (D. Appleton, \$2.50.)

American Labor Unions. Helen Marot, 1918. Pp. 11-28. (H. Holt, \$1.25.)

Organized Labor. John Mitchell, 1903. Pp. 1-11. (Amer. Book and Bible House.)

Articles Against Unions: The Unpopular Review, 5:254-274; 6:276-293; 8:168-179.

Other People's Money and How the Bankers Use It. Louis D. Brandeis, 1913. Pp. 1-27. (Fredr. H. Stokes, \$1.00.)

Governmental Price Regulation. E. R. A. Seligman. Review of Reviews, 56:289-292.

Can a Democratic Government Control Prices? George Creel. Century, 93:605-611 (Feb., 1917).

Copartnership and Profit Sharing. Aneurin Williams, 1913. (H. Holt, 60 cents.)

Profit Sharing. Arthur Burritt and others, 1918. (Harper, \$2.50.)

For Value Received. John Fitch. The Survey, 40:221 (May 25, 1918).

VI. TAXATION AS A MEANS TOWARD SOCIAL JUSTICE.

A. The income tax is being increasingly used as a means of placing the cost of government upon those best able to bear it.

1. Among the arguments in its favor are:

a. That the cost of maintaining the local, state, and national governments, amounting, before the war to about \$150 per family in the United States, has been placed on the general consumer by the tariff and the general property tax.

- b. That the general property tax is extremely difficult to collect equitably.
- c. That a graduated income tax rests entirely upon those with adequate incomes, and relieves the poor.

2. The chief objection raised against high rates of income taxation is the fear lest it discourage business initiative and ambition.

B. Elimination of all taxes except those on land (exclusive of improvements) and adjustment of the rate of this tax so as to absorb the entire ground rent, is advocated by "single taxers."

1. In favor of this plan it is urged:

- a. That the private ownership of land and private receipt of rent are unjust, because the value of land is created by nature and by the community, not by the individual.
- b. That such a tax, by forcing speculators to release land into use, would greatly stimulate production.
- c. That unemployment and low wages would disappear because of the great increase in the demand for labor to utilize land now idle.
- d. That the single tax would eliminate the congestion which is responsible for bad housing.
- e. That all the benefits of competition would be restored by single tax, since it would eliminate the monopoly of land, which, they assert, is the source of all monopoly.
- f. That this program would achieve social justice without interfering with private initiative or private ownership of capital.

2. In criticism of single tax it is contended:

- a. That the building and industrial boom expected as a result of single tax might very likely be followed by a collapse, with recurring unemployment and low wages, and that the unemployed are not a constant surplus of labor, but a fluctuating army, sometimes vast, sometimes small, which no sweeping increase in labor demand would absorb.

- b. That monopoly is due to other causes in addition to private ownership of land.
- c. That the pure land value of agricultural land cannot be separated from the value of such improvements as clearing, breaking, and fertilization.
- d. That the private ownership of capital is, in practice, as unjustifiable as of land, and that interest is as unearned as land rent.
- e. That private competition in industry, which single taxers propose to re-establish, is wasteful and damaging to the interests of both the worker and the consumer.

C. Progressive inheritance taxes have been urged

- 1. As a means of breaking up large fortunes, of securing funds to purchase for the government public utilities, and of financing social insurance plans.
 - a. Probably 5 to 10 billion dollars per year is inherited in the United States. With such a fund, or a fraction of it, railroads, mines and other basic utilities could be purchased rapidly, decreasing thereby the property income exacted from the public.
- 2. In opposition, in addition to arguments directed against public ownership, and social insurance, it is urged that large fortunes would be driven from states or nations levying heavy inheritance taxes, and that if such taxes were employed for current expenses, the supply of capital would be depleted.

D. For original thought and discussion:

- 1. How long would it take the government, through a 50 per cent inheritance tax, to acquire control of all the large industries?
- 2. What would be the outcome of a state in which the taxes were all paid, without shifting, by a small minority of the people?
- 3. Arrange a debate between a single taxer and a socialist.
- 4. Assuming that public ownership of all the large industries is advisable, how would you advocate securing title to them?
- 5. How would you finance an adequate system of social insurance?

6. To what extent would the reasons which led to the present system of war taxes justify the application of similar taxes to financing the solution of the social problems of peace?

E. Suggested readings:

An Endowment for the State. Alvin Johnson. Atlantic, 115:30-35.

The Taxation of Land Values. Vetta Scheftel, 1916. Pp. 384-421. (Houghton, Mifflin, \$2.00.)

The Taxation of Land Values. Louis Post, 1915. (Bobbs-Merrill, \$1.00.)

Shall New York City Untax Buildings? C. C. Williamson. Survey, 36:332-334 (1916).

Progress and Poverty. Henry George, 1879. (Doubleday, 50 cents.)

A Fund for Social Welfare. New Republic, 4:93-94.

Final Report of the Commission on Industrial Relations, 1915. J. R. Commons. Federal Fund for Social Welfare, pp. 389-395.

VII. PUBLIC OWNERSHIP OF LAND AND CAPITAL.

A. Many progressives advocate that the whole share of the national income which now goes to owners of property should go to the hand and brain workers. Ground-rent, interest, and profits should, they claim, be abolished, and the funds now paid to the capitalists should go to the workers in the form of higher compensation and lower prices. These ends are to be accomplished through public ownership and operation of all the important industries, including mines, forests, transportation systems, factories, wholesale and retail stores. The function of property income would then disappear, since the state itself would set aside the funds necessary for the maintenance and extension of the means of production.

B. This proposal is not

1. A program for dividing up equally the existing wealth,
nor

2. Communism, which seeks absolute equality or even identity in income for everyone, nor
3. Anarchism, which seeks the abolition of all compulsory or forcible government;
4. Nor is it an attack upon patriotism, religion, or family life.

C. Among the advantages claimed for public ownership as above defined are:

1. That it would automatically provide adequate earnings.
2. That the state would provide adequately for all the helpless and unfortunate.
3. That every child would have a fair start in life, with opportunities proportionate to abilities.
4. That the wastes of competition would be eliminated.
5. That the motive for fraudulent exploitation of the public would be removed, for private business, being eliminated, could no longer bribe officials, manipulate stock, charge excessive prices, adulterate goods, nor exploit natural resources.
6. That efficiency would be increased, since the workers would be stimulated to more enthusiastic effort by the knowledge that they would be producing for their own benefit and that of their fellows instead of for private profit. The success of the Panama Canal, and the relative economy and efficiency of the parcels post as compared with private express companies, are adduced as evidences of possible efficiency under public management.
7. That the substitution of public welfare instead of private profit as the mainspring of industry would eliminate great evils.
8. That the absence of poverty and extreme wealth would eliminate large fractions of our present crime, disease, and social unrest.
9. That personal freedom would be increased by the shortening of the hours of labor, by the extension and better adjustment of education, by more adequate incomes, and

by the consideration of the worker's rights as of first importance in determining the conditions of labor.

10. That war would be eliminated by the removal of the capitalistic struggle for markets and for commercial advantage, and by the application of the ideals of international justice.

D. Among objections raised against public ownership are:

1. That it would greatly reduce the efficiency of production. Opponents assert that the incentive of private profit and of the ambition to accumulate income-producing property and hand it on to one's children, is essential to the maintenance of vigor, initiative and enterprise; that qualities of leadership would not be developed, but that a dead level of individuals unfitted for anything but a particular job would result. They point to the notorious distrust which democracies exhibit toward experts, to the inefficiency of many city and state governments, and to the reputed stagnation in the government civil service, as evidences of the inherent inefficiency of public management.

2. That it would be difficult to fix prices and rates of compensation justly under complete public ownership.

3. That personal liberty and freedom of action would be sacrificed.

4. That the evils of the present system are due to defects of human nature, which no change of system would eliminate. Under public ownership, they suggest, favoritism would still be possible in promoting individuals to positions of authority, in granting larger compensation, in giving educational opportunities to children, and elsewhere.

5. Many radicals object that the control of industry through a government bureaucracy would not be industrial democracy. Government employes are not allowed to unionize. Postoffice employes have been prevented by the most repressive regulations from having any voice in determining their own working conditions. The workers, these objectors argue, should control their working conditions directly, and not merely as voters in a huge electorate.

E. For original thought and discussion:

1. How would public ownership of land and capital affect each of the deficiencies of the present system noted in Section II, pp. 6-8?
2. Compare and elaborate the arguments for and against the efficiency of publicly owned and operated industry.
3. Would individuality have a better chance for full development under public ownership or under capitalism?
4. Discuss the merits of co-operative production.

F. Suggested readings:

Economic Reconstruction. John R. Commons. *American Economics Review*, 8:Sup. 5-17 (March, 1918).

Outlines of Economics. R. T. Ely, 1916. Chapter XXX on Socialism, pp. 627-640. (Macmillan, \$2.25.)

The Old Order Changeth. T. P. Shonts, 1918. (165 Broadway, N. Y. C.)

Where and Why Public Ownership Has Failed. Yves Guyot, 1914, (Macmillan, \$1.50.)

Principles of Economics. F. W. Taussig, 1911. Vol. II, pp. 443-479. (Macmillan, \$2.00.)

Socialism. Compiled by E. C. Robbins, 1915. (H. W. Wilson, \$1.25.)

The Essentials of Socialism. Ira B. Cross, 1912. (Macmillan, \$1.25.)

Socialism—Promise or Menace. Hilquit and Ryan, 1914. (Macmillan, \$1.25.)

VIII. INDUSTRIAL DEMOCRACY.

A. That hand and brain workers should have, and will have, a large and increasing voice in the control of industry is a commonplace of current thought. Industrial democracy is essential for the following reasons:

1. To promote efficiency. At the Westchester County (N. Y.) House of Correction a gang of men recruited from

drunks, thieves, and vagrants, were organized into a mutual welfare league, and were set to digging foundations in competition with a gang of hired laborers. The contractor told the warden that he would like to trade gangs, because the prisoners were so much more efficient than the hired men. If democracy is good for jail bums, why would it not put new life into free workmen?

2. To promote justice in distribution and in determination of working conditions. It is axiomatic in law that justice can be achieved only when all the interests involved are adequately represented.

3. Because consistency requires that while we fight for political democracy, we shall achieve industrial democracy.

B. Industrial unionism, or syndicalism, is a form of organization urged by workers in many countries as a means to industrial democracy. They propose to organize the workers of each industry in one big union, such as mine workers, or steel workers, contrasting with trade unions, which are organized by crafts, such as plumbers, or type-setters. Industrial unions include the unskilled as well as the skilled. The syndicalist theory represents a reaction against state control of any sort, and postulates the substitution of industrial, direct action for political action. The Industrial Workers of the World, who represent the syndicalist movement in America, arose as a protest against conditions existing in the western mines and lumber camps. Its members have been described as "homeless, jobless, voteless, womenless men."

1. By those favoring syndicalism it is argued:

a. That the state at present is controlled by a small group of economically powerful men, the large capitalists, who own the newspapers, finance the old political parties, and control to a greater or less extent the churches and universities. That the worker has therefore nothing to hope from political action, but must put his faith in industrial action where he can be effective if organized.

b. That political action as the means of remedying grievances is indirect and delayed, while direct action (sabotage) is more speedy and effective.

c. That work should be the basic qualification for citizenship.

d. That casual workers, who are disfranchised by moving about, and immigrants are entitled to a voice in the control of industry, which they get through direct action.

2. Those opposing syndicalism contend:

a. That such a program ignores all interests except those of labor, and that the consumer as such would not be represented.

b. That powerful industries, like steel production, or meat packing, would secure tyrannical control over the community, charging excessive prices and paying unjustly high wages.

c. That the abolition of the civil government, with resulting absence of control over criminals, abandonment of compulsory education, and other anarchistic features, would be highly dangerous and destructive.

d. That such a system would place the control of industry in the hands of the most ignorant and incompetent, and that democratic control of administration would make speed and freedom of executive action impossible.

e. That the I. W. W. is merely an uncontrolled agitation, chafing against authority, with no definite or consistent body of ideas.

C. Guild socialism is a program which aims to combine industrial unionism, the abolition of property income, and the retention of the civil government. It demands that each industry shall be controlled by the hand and brain workers who operate it; that the body politic of the nation shall include two houses, one composed of citizens elected on a geographical basis, the other of members representing the various democratically organized industries. The ownership of land and capital would be vested in the state thus constituted, and loaned as required to the industries. This plan differs from orthodox socialism in that it provides for industrial democracy; it differs from syndicalism in that it retains a state, with representation of the consumer, and in that it provides a higher power to adjust conflicts between industries. It differs entirely from anarchism, for it proposes to maintain government in its full sense.

D. For original thought and discussion:

1. Draw up, for guild socialism, the arguments pro and con.
2. What essential reasons would make an industry controlled by a board of directors elected by the hand and brain workers less efficient than an industry controlled by a board elected by absentee stockholders?
3. What are the fundamental differences between the group of remedies which includes economy, efficiency, increased bargaining power and social insurance, and the group which includes public ownership, syndicalism, and guild socialism?
4. To what extent could trade unions be developed into the units of an industrial democracy?
5. To which, if to any, of the remedies mentioned in this outline, do the teachings of Jesus give support? How so?
6. Find a parallel in existing industrial organization for each of the following forms of political organization: Absolute hereditary monarchy; benevolent despotism; limited monarchy; Prussian electoral system; republic.

E. Suggested readings:

British Labor in Wartime. G. D. H. Cole. New Republic, XV, p. 140 (June 1, 1918).

Socialism. E. C. Robbins, 1915. Pp. 169-179. (H. W. Wilson, \$1.25.)

Organized Labor in America. Geo. G. Groat, 1916. Pp. 408-452. (Macmillan, \$1.75.)

Self-Government in Industry. G. D. H. Cole.

Syndicalism, Industrial Unionism, and Socialism. John Spargo, 1913. (Huebsch, \$1.25.)

State Socialism Pro and Con. Walling and Laidler, 1917. (H. Holt, \$1.25.)

State Socialism in New Zealand. Jas. E. Le Rossignol, 1910. (Crowell, \$1.50.)

National Guilds. A. R. Orage.

The New Democracy. W. E. Weyl.

Political Ideals. Bertrand Russell, 1917. (Century, \$1.00.)

Democracy After the War. H. A. Hobson, 1917. (Macmillan, \$1.25.)

IX. WAR MATERIALS FOR A NEW SOCIAL ORDER.

A. As a basis for discussion, the following constructive program is offered. It is founded upon the belief that the basic ideals of social justice upon which this discussion is founded can very largely be realized by the simple retention and logical extension of the principles adopted and acted upon by the government during the war in its dealings with soldiers and war workers, and that the machinery created for applying these principles may be capable of extension and perfection to deal adequately with the corresponding civilian problems. It is believed that such a program would avoid most of the dangers of the other remedies proposed, and would retain many of their advantages. Such a program would proceed on the soundest evolutionary principles.

1. **Social Insurance.** The government has recognized its obligation to assure to the dependents of soldiers, during the absence of, or in case of the death or injury of, the breadwinner, incomes adjusted to their needs, by a system of insurance and allowances. This principle of protection for dependents should be extended to all workers and their families, and the war machinery perpetuated, with improvements calculated to adjust it to other existing agencies, as a peace instrument for administering a comprehensive plan of social insurance. The plans being made for rehabilitating war cripples, should be extended to industrial cripples.

2. **Housing.** The government has recognized officially the necessity for providing adequate housing for war workers. Let the machinery created for this purpose develop plans for adequate housing for all workers.

3. **Education.** Soldiers are tested mentally, and the most promising, in test and in action, are given opportunities for

education as officers at government expense. The same principle fits civilians.

4. Recreation. Wholesome recreation at government expense is recognized as a necessity for the preservation of efficiency, and the abatement of vice. This is equally true in civil life. Machinery has been created for army recreation which might be developed for the whole people.

5. Regular Employment. Between drives, and in winter when activity slackens down, soldiers are retained in the army payroll so as to preserve organization and skill, and to protect the soldier from loss. The same principles apply to industry. Machinery for adjusting the labor supply to the demand through labor exchanges, has been developed for war purposes. Demobilization, however, will bring an employment crisis of unprecedented extent, with five to ten millions of workers to be transferred from war to peace occupations. Machinery should be created now to deal with this crisis. If the demand for labor is likely to be slack through temporary disorganization of industry, plans for government work in improving and extending railroads, highways and waterways, public buildings, water powers and other public works, should be prepared for a ten-year period, and contracts let immediately at the close of the war for as much of the work as is required to absorb the labor supply. Agricultural lands now idle should be made available to returning soldiers for large scale farming under government management, or for intensive individual farming. The government should exercise permanently the same foresight and executive skill to keep the full labor power of the country constantly and effectively occupied, as the military authorities use to keep the full fighting power of the nation constantly and effectively occupied in war time.

6. Wage and Price Adjustment. The war labor board has established the principle of minimum wages adequate to assure the worker and his family maintenance in health and reasonable comfort. Let the machinery created to carry out this principle, and to assure prices calculated to maintain real wages, be extended and perfected. Wages should be adjusted with a decent living as a minimum, and should be arranged on a sliding scale, so as to change automatically with fluctuations in the cost of living. Industries or establishments unable

to pay the wages ordered, while charging the prices fixed, should be placed under government receivership, with wages as the first lien on income.

7. Health Protection. A vast organization has been built up to protect the health of soldiers at government expense. The same protection should be extended to civilians, and the organization perpetuated and extended to that end. Medical care should be provided freely by the government for the entire community, just as education is freely provided, and the emphasis should be placed, as in the army, on prevention.

8. Efficiency and Economy. Steps taken during the war to eliminate waste of food, fuel, and other materials, to organize transportation on an efficient basis, to standardize equipment, and the like, should be continued and extended.

9. Taxation. In war, the government has acted on the principle that the larger incomes were as much subject to government command for the good of the nation as are the lives of the soldiers. This principle should be extended to peace times. The costs of the program outlined above should be met by heavy progressive income taxes, and taxes on luxuries and profits. Interest on the war debt should be met out of this fund. Confiscatory inheritance taxes should be placed on all estates of over \$100,000, and the proceeds used to retire the war debt and to purchase basic industries.

10. Government Ownership. The government control of industry, which has proceeded so rapidly during the war, should be perpetuated, and extended, but the ownership should be transferred as rapidly as possible to the government, so as to make possible the extinction of the interest and dividend charges, and the increase of wages, and decrease of rates.

11. Industrial Democracy. The government policy of recognizing and fostering labor unions in war work should be extended. In all government-owned industries, including the post office, the schools, and the railroads, boards of directors should be elected by proportional representation by the employes of the respective industries. These boards of directors should rapidly take over the management of the respective industries, should appoint the general managers, and should determine policies, subject only to control by Congress. Later

the advisability of giving industries direct representation in Congress, possibly in the Senate, should be considered.

12. Peace Settlement. President Wilson's program of international justice as a preventive of future wars, of international organization to preserve peace, and of disarmament to release money and man power for social reconstruction, should be supported by unlimited force on the field of war, and by unstinted and enthusiastic endorsement at home.

B. For original thought and discussion:

1. If you do not approve of the above program, amend it, or work out, as a substitute, your own plan for realizing the basic principles of social justice.
2. Discuss practical methods of promoting whatever program you think will meet these ideals.
3. Has the program of social measures affecting soldiers and war workers, been worked out in a democratic manner?

C. Suggested readings:

Resolutions on Reconstruction of the British Labor Party. Survey, 40:500-504 (Aug. 3, 1918).

The Social Revolution in England. Arthur Gleason. Century, 93:565-572 (Feb., 1917).

The Post-Bellum Labor Situation. Sergeant-Major Eugene E. Greenhut.

X. OUR PART IN THE POLITICS OF PROGRESS.*

What can we individually do to help promote social justice in America?

A. Two contrasted conceptions of social reconstruction are current:

1. The idea of sudden, forcible overthrow of existing powers, wholesale abrogation of existing economic and social institutions, and the attempted installation of a complete new social system in one piece, as exemplified in

*More than one session may profitably be spent in discussing this section.

the Russian and French Revolutions. This method is necessary where the ballot is denied or essentially curtailed, and where free speech, free assemblage, and freedom of the press are permanently restricted.

2. The idea of continuous evolution from one social state to another, retaining at each step enough of the old system to keep economic life continuously functioning, progress being achieved, not chiefly by force, but by education, agitation, and information. This idea is exemplified in the development of British institutions in recent decades. Such evolution is the constructive method which must always be resorted to in the long run.

B. To promote her social evolution, America needs informed public sentiment on social issues, and political machinery responsive to such sentiment.

1. The mass of the people have always had the potential power to obtain justice:

a. By weight of numbers they could at any time have revolted;

b. By refusing en masse to work, they could have forced reform;

c. In democratic countries, a sufficient majority of the voters can alter the government to any degree, and can pass any legislation it desires.

2. That great injustice still survives in spite of these three all-powerful weapons, is due to lack of inspiration, information, and organization on the part of the exploited masses.

C. Creating enlightened public sentiment:

1. The power of informed opinion is proved by the spread of workmen's compensation, industrial sanitation, woman suffrage, prohibition, and vice restriction. These and other movements are winning by exerting the pressure of public opinion on existing political parties and on employers. The progressive social war policies enumerated in Section IX have resulted directly from social education.

2. Characteristics of sound public-opinion building are:
 - a. Impartiality—it should not be controlled by any economic class or interest.
 - b. Decentralization—every point of view should be worked out with the greatest freedom. The organization of propaganda should be for the purpose of stimulating, not controlling thought.
 - c. Facts should take the place of theories as far as possible.
 - d. Broader and broader areas of agreement should be created.
 - e. Leaders of thought should be reached. To convince tens of labor leaders, editors, preachers, employers, or legislators, is worth convincing hundreds of second-hand thinkers.

3. Every person who is earnestly discussing social problems is helping to build the future. To organize groups for such study, and to promote publicity on social issues, is to become an officer in the army of thought. This syllabus aims to be a stimulus and vehicle for such discussion.

D. The politics of progress. In a democracy, orderly social progress, as far as the government is involved, comes only through political organizations. The progressive who wishes to see social ideals crystalized into legislation, must concern himself therefore not only with agitation, but with parties and politicians.

1. Should one work for social progress through the old parties?

- a. In favor of the Republican Party, it is urged that it gave birth to the Progressive movement and that Progressive leaders are now represented in its councils.
- b. In favor of action through the Democratic Party, it is urged that it, historically, has tended to represent the common people, and that the present administration has secured such social legislation as the Federal Child Labor Law, the Adamson Eight Hour Law, and the War Risk Insurance Law, and has promoted such policies as recreation and vice-repression for soldiers.

c. For both it is urged that the attempt to create a new major political party would prove abortive, and that to take a portion of the progressives out of a major party tends to throw the control into the hands of the reactionaries; also that the abuses of party organization are likely to occur in any party, and should be reformed, not abandoned.

2. Should the progressive support the Socialist Party?

a. In favor of such action it is urged that this is the only party with a thorough-going social program; that the other parties simply borrow as palliatives some of its planks; that the two old parties stage merely sham battles in which the capitalists who finance both parties are sure to win; that the party has had a swift and, until 1916, uninterrupted growth, and bids fair to become, like the socialist parties in Europe, a great political force; that, even as a minority party, its platforms and its agitation have been the source of most of the progressive legislation in the country; and that it is far better to sacrifice temporary gains which might come through the old parties, in order to build up a proletarian party which can ultimately control the government.

b. In opposition to supporting the Socialist Party, it is urged that this organization advocated policies on the war which would have resulted in the victory of Germany; that it preaches class conflict, leading to revolution, and antagonizes any efforts of capitalists or the middle class toward social justice; that its materialistic philosophy ignores such vital forces as unselfish idealism; and that each of these characteristics arises inevitably out of the Marxian philosophy to which it is committed.

3. Should the progressive help to build up the new National Party?

a. In favor of such action, it is urged that the old parties are founded upon personal favoritism, not upon ideals; that the Republican Party has reabsorbed the Progressives, but not their principles; that the Demo-

cratic Party does not understand or genuinely approve the progressive policies of the Wilson administration, and that when he perforce steps out in 1920 a reactionary administration is likely to succeed him; that the attitude of the Socialist Party toward America's part in the war has destroyed the possibilities of that party as an instrument of social progress; that the formation of a new party to represent the constructive radicalism of America is therefore inevitable, and that the National Party, by its ideals and form of organization, affords such a party.

E. For original thought and discussion:

1. Compare the chances which the National Party has of success, with those of the Progressive Party.
2. What chances are there that organized labor would participate in the formation of a party of social progress?
3. Discuss the relation of the Non-Partisan League to such a movement.
4. What should be the relation of the church to the politics of progress?
5. What will be the effect on social progress of the political power of the returning soldiers?
6. Compare the causes, aims and procedure of the French and Russian Revolutions.
7. What, and how important, are the functions of social revolutionists in a program of social evolution?
8. Discuss the methods of the Fabian Society.

F. Suggested readings:

The French Revolution. Shailer Matthews, 1901. Pp. 31-37, 111-137, etc. (Longmans-Green, \$1.25.)

Russia in Upheaval. E. A. Ross, 1918. Chaps. VI-XIII, pp. 349 ff. (Century, \$2.55.)

The Russian Revolution in Retrospect and Forecast. J. Y. Simpson. Nineteenth Century and After, Apr., 1918, pp. 715-733.



The Rebirth of Russia. C. Hapgood Wright. Contemp. Rev., Apr., 1918, pp. 365-368.

The Madness of Russia. John A. Bradford. Bellman, Mar. 2, 1918, pp. 239-241.

Social Psychology. E. A. Ross, 1908. Chaps. XVIII and XXII, pp. 307-323 and 346-354. (Macmillan, \$1.50.)

A New Liberal Party. Harold Kellock. Century, 94: 885-890 (Oct, 1917).

The Progressive Party. Theodore Roosevelt. Century, 86, pp. 826-836.

Homeless Radicals. New Republic, 7:211-212 (1916).

Why Idealists Quit the Socialist Party. Nation, 104:65-66, 181-182 (1917).

Labor and Politics. John Fitch. Survey, 40:287-289, 363-365 (June 8 and 29, 1918).

A Presidential Straw Vote of Union Labor. Literary Digest, 53:871-874, 919-922 (1916).

Political Revolt in the Northwest. Charles Merz. New Republic, 13:15-17, 44-46, 71-73, 121-123 (1917-1918).

The Two Parties in 1916. Herbert Croly. New Republic, 8:286-291.

Third Parties and Their Leaders. Nation, 103, pp. 27-28, 511-512 (1916).

The National Party Platform and Constitution, Program for Constructive Democracy, and other literature, sent on application to The National Party, 138 N. LaSalle St., Chicago.

Progressive Democracy. Herbert Croly, 1914. (Macmillan, \$2.00.)

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